



**Testimony of Barbara B. Lang, President & CEO  
DC Chamber of Commerce  
Before the Subcommittee on Economic Development, Public Buildings, and  
Emergency Management, Committee on Transportation and Infrastructure, U.S.  
House of Representatives**

**Department of Homeland Security Relocating to  
West Campus, St. Elizabeths Hospital**

**Wednesday, December 12, 2007**

Good morning. I am Barbara Lang, President and CEO of the DC Chamber of Commerce, and I am pleased to testify before the subcommittee on Economic Development as it considers the community bordering the St. Elizabeths Campus. As the largest business organization in the region, the Chamber works hard to make living, working, playing and doing business in the District of Columbia better for everyone. Thank you, Madame Chair, for the invitation to testify today on behalf of our 2000+ members about how the GSA (General Service Administration) can best use its resources to aid the economic development of the areas adjacent to the St. Elizabeths Campus.

The community adjoining St. Elizabeths had been overlooked for many years, and we were pleased to learn that DHS (Department of Homeland Security) and 14,000 of its employees would be relocating to the Campus. The move creates an opportunity for economic development in Congress Heights that has not existed for decades.

Because the local neighborhood economy of Congress Heights stagnated long ago, its residents have been largely excluded from the City's economic resurgence. Developing the St. Elizabeths Campus and sharing its economic benefit with the community should be a foremost concern as GSA and DHS move forward.

And to be clear, the economic benefits DHS brings, as new neighbor in Anacostia, *must* be felt outside St. Elizabeth's historic gate and fortified walls. DHS must not, and cannot create an oasis of services, walled off, withheld and withdrawn from the residents of Ward 8. Some residents have expressed concern that DHS will be a secure compound impervious to the community, and unwilling to interact with its surroundings. And we all know that an optimal environment is one in which the community and DHS benefit from symbiotic economic interaction. DHS must be an anchor of economic stability and a catalyst for development that creates jobs, encourages economic investment and patronizes neighborhood businesses. DHS can be a catalyst for change that is long overdue.

What does that change look like? It takes the form of robust economic activity. The best example I can provide is the renaissance we have seen in downtown Washington, DC, such as Gallery Place. Over the last ten years it has evolved from an area where people came to work and left at the end of the day, to a place where people work during the day, play and dine at night, and enjoy at all times. It takes time, and change will happen in stages, but GSA can begin laying the foundation now for a similar economic rebirth East of the River.

You are beginning to see several of the economic and community factors necessary for growth emerge. First and foremost, preparations are being made for construction of a complex that will house a cabinet level agency. In the short term, that

means construction-related jobs. In the long term, it means a daily influx of employees who will demand certain services during the workday. You also have a Metro station and I-295 nearby to help ferry workers. The importance of these very basic infrastructural assets should not be overlooked.

Once you get employees to work, they are going to demand food and other small retail services. These small retailers need to be patronized by DHS employees during work hours, and be available to serve the community at all times. Examples that come to mind are a diverse mix of food establishments, a CVS, book store, gift shop, and perhaps a dry cleaner. The vision should be to grow the economy from daytime establishments in the beginning, and then broaden to serve the entire community with a mall and a wider range of shops. Eventually there should be sit-down dining establishments and a theatre for nightlife. The ultimate goal should be mixed use development serving the needs of the people and the businesses upon which they rely.

The downtown area is the best example of this model. There are many small businesses and vendors that cater to workers during the day. There is also fine dining and night life for after work. This business model of serving the office worker and layering economic activity to serve and coincide with them will be a winning strategy in the areas surrounding St. Elizabeths. We ask that you look to the lessons of our City's success downtown, along U Street, on H Street, but also the Pentagon and Pentagon City model as you consider how to attract new businesses to Congress Heights.

The final question is how to incentivize companies to relocate in areas around the St. Elizabeths Complex. We encourage you to consider tax and other incentives that might include DHS devoting a significant percentage of their contracts to neighborhood businesses. Such arrangements would link DHS to the community and

would offer new businesses a stable customer base from the outset when they are most vulnerable. The government might also consider guaranteeing small business loans and offering low-cost financing for vendors in the neighborhood.

In DHS' move to the St. Elizabeths Campus, we see tremendous opportunities for District residents and for DHS. The Chamber is available to partner with you as you move forward, and we look forward to St. Elizabeths becoming another Washington success story.

Thank you and I am available for questions.